

FILED ORIGINAL

IN THE UNITED STATES BANKRUPTCY COURT

2001 MAY -2 AM 8:54

FOR THE DISTRICT OF DELAWARE

CLERK  
US BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
W. R. GRACE & CO., *et al.*, ) Case No. 01-1139 (JJF)  
)  
) **Hearing Date: 5/3/01 at 8:00 am.**  
)  
Debtors. ) Jointly Administered

**OBJECTION OF THE OFFICIAL COMMITTEE OF ASBESTOS  
BODILY INJURY CLAIMANTS TO THE MOTION FOR RELIEF FROM THE  
AUTOMATIC STAY OF PAUL PRICE, INDIVIDUALLY AND AS  
PROPOSED CLASS REPRESENTATIVE IN *IN RE ZONOLITE ATTIC  
INSULATION PRODUCTS LIABILITY LITIGATION*, MDL 1376**

The Official Committee of Asbestos Bodily Injury Claimants (the "B.I. Committee"), by and through its undersigned counsel, hereby objects (the "Objection") to the Motion for Relief from the Automatic Stay of Paul Price, Individually and as Proposed Class Representative in *In re: Zonolite Attic Insulation Products Liability Litigation*, MDL 1376 (the "Motion"). In support of the Objection, the B.I. Committee respectfully submits:

**BACKGROUND**

1. On April 2, 2001 (the "Petition Date"), W.R. Grace & Co. ("Grace") and its affiliated debtors and debtors in possession (collectively, the "Debtors") commenced the instant proceedings by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with the Clerk of this Court. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. On the Petition Date, the Court entered an order authorizing the joint administration of these cases for procedural purposes.

1168

2. No trustee or examiner has been appointed in these cases. On April 12, 2001, the United States Trustee for the District of Delaware appointed the B.I. Committee, the Official Committee of Asbestos Property Damage Claimants (the "P.D. Committee") and the Official Committee of Unsecured Creditors (the "General Creditors' Committee," and collectively with the B.I. Committee and the P.D. Committee, the "Committees").

3. On April 25, 2001, the Motion was filed on behalf of Paul Price, individually and as proposed class representative of a class of plaintiffs (the "Proposed Class Plaintiffs") in multi-district litigation currently pending before the United States District Court for the District of Massachusetts (the "Massachusetts Litigation").

#### **JURISDICTION AND VENUE**

4. The Court has jurisdiction to hear the Motion and the Objection pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought in the Motion is section and 362 of the Bankruptcy Code.

#### **OBJECTION**

5. Through the Motion, the Proposed Class Plaintiffs seek relief from the automatic stay provisions of section 362 of the Bankruptcy Code in order to proceed in the Massachusetts Litigation so as to seek certification of a nationwide class of persons and continue with certain discreet discovery. The B.I. Committee respectfully submits that the relief sought in the Motion should be denied by the Court.

6. The Proposed Class Plaintiffs are only a subset of the individuals who possess asbestos-related claims against the Debtors' estates. The B.I. Committee submits that it is too early in these proceedings to permit one group of litigants to proceed with piecemeal adjudication of such

claims outside of these bankruptcy proceedings. Moreover, the Massachusetts Litigation is not mature and therefore no harm will be caused to the Proposed Class Plaintiffs by denying the requested relief at this time.

7. Additionally, the Proposed Class Plaintiffs seek recovery in the Massachusetts Litigation predicated, in part, upon fraudulent conveyance theories. The Debtors are presently seeking an injunction to prevent the litigation of such theories against certain third parties. Contemporaneously herewith, the B.I. Committee has filed its response and limited objection to such relief in which it suggests that the Court maintain the status quo as to all such causes of action in order to permit the parties to these reorganization cases sufficient time to determine the best manner in which to proceed. Granting the relief sought in the Motion would frustrate the parties' abilities to determine the proper manner in which to deal with the claims globally and therefore should be denied.



CONCLUSION

WHEREFORE, the B.I. Committee respectfully requests that the Court sustain the objections contained herein, deny the Motion, and grant such other and further relief as is just and equitable.

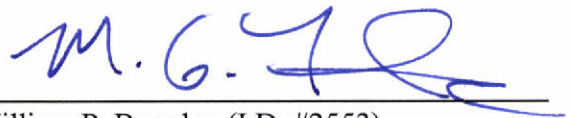
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Dated: May 2, 2001

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
W. R. GRACE & CO., <i>et al.</i> ,	)	Case No. 01-1139 (JJF)
	)	
Debtors.	)	Jointly Administered

**CERTIFICATE OF SERVICE**

I, Matthew G. Zaleski, III, Esquire, hereby certify that on May 2, 2001, I served the foregoing document on each of the parties on the attached list via facsimile. Additionally, I caused a copy of the foregoing document to be served on each of the parties on the attached list via overnight delivery, unless otherwise indicated.

Dated: Wilmington, Delaware  
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